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UNCLAS OTTAWA 001629

SIPDIS

DEPT FOR EB/TPP/BTA/EWH MKEHOE  
DEPT PASS USTR FOR SCHANDLER AND ASTEPHENS  
USDOC FOR 4320/ITA/MAC/JBENDER

E.O. 12958: N/A

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SUBJECT: CANADA CUSTOMS' DUMPING INVESTIGATION COULD IMPACT  
U.S. STEEL EXPORTERS, BUT NOT MANUFACTURERS

1. Canada Customs and Revenue Agency (CCRA) has initiated an investigation into the alleged injurious dumping of steel structural tubing, known as hollow structural sections, originating in, or exported from Korea, South Africa and Turkey. The investigation covers hollow structural sections made of carbon and alloy steel, welded, in sizes up to and including 16 inches in outside diameter for round products and up to and including 48 inches in periphery for rectangular and square products. Although the investigation does not include U.S. manufacturers, CCRA has informed post that some of the goods subject to the investigation have been sold to importers in Canada by exporters located in the U.S. A complete list of the U.S. exporters is provided in paragraph four.

2. Three Canadian Manufacturers filed a complaint alleging that the dumping of steel structural tubing has caused or is threatening to cause injury to the companies' production of hollow structural section in Canada. According to figures contained in the complaint, imports from Korea, South Africa and Turkey rose from approximately 8,800 tonnes in 2001 to approximately 32,000 tonnes in 2002. CCRA will conduct an investigation to determine whether the subject goods imported into Canada during the period of April 1, 2002, to March 31, 2003, have been dumped. The Canadian International Trade Tribunal (CITT) will conduct a preliminary inquiry to determine if there is evidence that discloses a reasonable indication that the dumping has caused or is threatening to cause injury to the Canadian industry. Details on the investigation can be found at by clicking on "Statements of Reasons" at [www.ccra-adrc.gc.ca/sima](http://www.ccra-adrc.gc.ca/sima).

3. From customs import documentation, the CCRA has identified 24 exporters of the subject goods, ten of which are based in the U.S. As a part of the investigation, CCRA has requested information from exporters to determine the normal value and the export price of the goods shipped to Canada. Exporters have until June 29, 2002 to respond to CCRA's request for information. CCRA's manager for the Industrial Products Division Jim Gove told econoff that a failure to respond to CCRA's request for information will lead to a likely less favorable Anti-dumping determination than companies which provide detailed information. According to Gove, U.S. exporters are not the major exporters of hollow structural sections to Canada. Sales figures from U.S. companies indicate exports to Canada are sideline operations of businesses that are primarily focused on the U.S. market. Because of this, Gove did not expect many of the U.S. exporters to provide the requested information.

4. U.S. Exporters of structural tubing from the U.S. to Canada include:

- American Steel Inc., 19022 - 80th Avenue South, Kent, Washington, 98032
- Atlas Tube Inc. (USA), 13101 Eckles Road, Plymouth, Michigan, 48170
- Castle Metals, 3400 North Worlf Rd., Franklin Park, Illinois, 60131
- Industrial Export Co., 3340 NW St. Helens Road, Portland, Oregon, 97201
- North Pacific Group Inc., P.O. Box 3983, Portland, Oregon, 97208
- Pusan Pipe America, Inc., 9615 S. Norwalk Blvd, Ste. B, Santa Fe Springs, CA, 90670
- Seaport Steel Co., 3660 E. Marginal Way S, Seattle, Washington, 98124
- Stemcor USA Inc., #7815 Empire State Building, 350 Fifth Ave, New York, NY, 10118
- Tubular Steel, Inc., 13322 142nd Ave. E, Orting, Washington, 98360
- Vass Pipe & Steel Company, Inc., 158 Third Stree, Mineola, New York, 11501

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